Livestock Gross Margin (LGM)
(Insurance Plan Code 82)

GROSS MARGIN GUARANTEE

EXPECTED GROSS MARGIN = (TARGET_MARKET_1 * EXP_GROSS_MARGIN_1) +
    (internal)   (field 18)   (field 24)

    (TARGET_MARKET_2 * EXP_GROSS_MARGIN_2) + (TARGET_MARKET_3 *
      (field 19)   (field 25)   (field 20)

    EXP_GROSS_MARGIN_3) + (TARGET_MARKET_4 * EXP_GROSS_MARGIN_4) +
      (field 26)   (field 21)   (field 27)

    (TARGET_MARKET_5 * EXP_GROSS_MARGIN_5) + (TARGET_MARKET_6 *
      (field 22)   (field 28)   (field 23)

    EXP_GROSS_MARGIN_6)
      (field 29)

GROSS_MARGIN_GUAR = EXPECTED GROSS MARGIN * COVERAGE_LEVEL
  (field 31)   (internal)   (field 30)

LIABILITY

LIABILITY = GROSS_MARGIN_GUAR
 (field 32)   (field 31)

SIMULATED LOSSES

SIMULATED GROSS MARGINS(i) = (FIRST MONTH GROSS MARGIN DRAW(i) *
    (internal)

    TARGET_MARKET_1) + (SECOND MONTH GROSS MARGIN DRAW(i) *
      (field 18)

    TARGET_MARKET_2) + (THIRD MONTH GROSS MARGIN DRAW(i) *
      (field 19)

    TARGET_MARKET_3) + (FOURTH MONTH GROSS MARGIN DRAW(i) *
      (field 20)

    TARGET_MARKET_4) + (FIFTH MONTH GROSS MARGIN DRAW(i) *
      (field 21)

    TARGET_MARKET_5) + (SIXTH MONTH GROSS MARGIN DRAW(i) *
      (field 22)

    TARGET_MARKET_6)
      (field 23)

    Note: (i) = 1,2,…, 25000

SIMULATED_LOSSES = $\sum$ (MAX (GROSS_MARGIN_GUAR - SIMULATED GROSS MARGINS(i), 0))
    (field 33)   (field 31)

Note: only use simulated gross margins greater than zero in calculation

TOTAL PREMIUM

TOTAL_PREMIUM = 1.03 * (1/25,000) * SIMULATED LOSSES
  (field 34)   (field 33)

PRODUCER PREMIUM

PRODUCER_PREMIUM = TOTAL_PREMIUM
  (field 40)   (field 34)

Note: Subsidy not applicable for LGM.

LIVESTOCK GROSS MARGIN (LGM)
LIABILITY/PREMIUM CALCULATIONS
Edit Description

Tag	No.	Picture	Rounding	Description
<TARGET_MARKET_1>	18	9(05)	whole number	Number of swine the insured expects to market in the first month of the insurance period (Feb. or Aug.).
<EXP_GROSS_ MARGIN_1>	24	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for First Month from ADM L Suffix P.
<TARGET_MARKET_2>	19	9(05)	whole number	Number of swine the insured expects to market in the second month of the insurance period (Mar. or Sept.).
<EXP_GROSS_ MARGIN_2>	25	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Second Month from ADM L Suffix P.
<TARGET_MARKET_3>	20	9(05)	whole number	Number of swine the insured expects to market in the third month of the insurance period (Apr. or Oct.).
<EXP_GROSS_ MARGIN_3>	26	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Third Month from ADM L Suffix P.
<TARGET_MARKET_4>	21	9(05)	whole number	Number of swine the insured expects to market in the fourth month of the insurance period (May or Nov.).
<EXP_GROSS_ MARGIN_4>	27	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Fourth Month from ADM L Suffix P.
<TARGET_MARKET_5>	22	9(05)	whole number	Number of swine the insured expects to market in the fifth month of the insurance period (June or Dec.).
<EXP_GROSS_ MARGIN_5>	28	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Fifth Month from ADM L Suffix P.
<TARGET_MARKET_6>	23	9(05)	whole number	Number of swine the insured expects to market in the sixth month of the insurance period. (July or Jan.)
<EXP_GROSS_ MARGIN_6>	29	(+ / -) 9999.9999	per ADM	Expected Gross Margin per swine for Sixth Month from ADM L Suffix P.
<EXPECTED GROSS MARGIN>	internal	9(10).99	dollars and cents	Sum of (Target Marketings by month times Expected Gross Margins by month).

<COVERAGE_LEVEL>	30	9.999999	NA	Valid coverage Levels are 0.800000, 0.850000, 0.900000, 0.950000, 1.000000. Within a practice (insurance period) the coverage level is by type without regards to county.
<GROSS_MARGIN_GUAR>	31	9(10).99	dollar and cents	Expected Gross Margin times Coverage Level.
<LIABILITY>	32	9(10)	nearest whole dollar	Gross Margin Guarantee to nearest whole dollar.
FIRST MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	First Month Gross Margin Draw from ADM L Suffic C.
SECOND MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Second Month Gross Margin Draw from ADM L Suffic C.
THIRD MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Third Month Gross Margin Draw from ADM L Suffic C.
FOURTH MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Fourth Month Gross Margin Draw from ADM L Suffic C.
FIFTH MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Fifth Month Gross Margin Draw from ADM L Suffic C.
SIXTH MONTH GROSS MARGIN DRAW(i)	Internal	(+ / -) 999.999	per ADM	Sixth Month Gross Margin Draw from ADM L Suffic C.
SIMULATED GROSS MARGINS(i)	Internal	9(10).99	dollars and cents	Six month Simulated Gross Margins(i) is the sum of (Gross Margin Draws(i) times Target Marketings by month).
<SIMULATED_LOSSES>	33	9(10).99	dollars and cents	Sum of (MAX (Gross Margin Guarantee minus Simmulated Gross Margins(i)), 0).
<TOTAL_PREMIUM>	34	9(10)	nearest whole dollar	The result of 1.03 times (1/25,000) times Simmulated Losses.
<PRODUCER_PREMIUM>	40	9(10)	nearest whole dollar	Producer Premium equals Total Premium.

Note: (i) = 1,2,…, 25000